GOVERNMENT OF INDIA
DISINVESTMENT
LOK SABHA

UNSTARRED QUESTION NO:3120
ANSWERED ON:10.08.2001
MONEY RECEIVED THROUGH DISINVESTMENT
JAGMEET SINGH BRAR

Will the Minister of DISINVESTMENT be pleased to state:

(a) the amount of money received so far and likely to be received by the end of current financial year by disinvestment of Public Sector undertakings;

(b) whether the money so realized is proposed to be utilized for clearing outstanding loans debts and other liabilities of the Government; and

(c) if not, the manner in which the money has been spent so far and proposed to be spent during this financial year?

Answer

MINISTER OF STATE (INDEPENDENT CHARGE) OF THE DEPARTMENT OF DISINVESTMENT, MINISTER OF STATE IN MINISTRIES OF PLANNING, STATISTICS & PROGRAMME IMPLEMENTATION AND MINISTER OF STATE IN THE DEPARTMENT OF ADMINISTRATIVE REFORMS AND PUBLIC GRIEVANCES (SHRI ARUN SHOURIE)

(a) The receipts from disinvestment over the years, are given below:-

(Rupees in Crore)

Year	Receipts from disinvestment
1991-92	3,038
1992-93	1,913
1993-94	NIL
1994-95	4,843
1995-96	168
1996-97	380
1997-98	910
1998-99	5,371
1999-2000	1,829
2000-01	1,869
Total	20321

For the current year, the target is fixed at Rs. 12,000 crore. However, the amount realizable from disinvestment would depend on factors like market conditions, financial performance of the companies under consideration, terms and conditions of sale, interest of bidders, attractiveness of the company and its future prospects. The process involves competitive bidding by different bidders. Thus, it is not possible to precisely estimate the receipts from disinvestment.

(b) & (c) As announced in the budget speech for the year 2001-2002, the receipts from disinvestment will be used for providing restructuring assistance to PSUs, safety net to workers, reduction of debt burden as also for social and infrastructure sectors.The disinvestment proceeds have been deposited in the Consolidated Fund of India like other receipts of Government of India. The expenditures out of the Consolidated Fund of India include outlays for infrastructure sector, restructuring of Public sector enterprises, social sectors like education, health and family welfare etc. The total expenditure incurred for these purposes had been much higher than the receipts from disinvestment.